

Improving the Housing Choice Voucher  
Eligibility Determination Process

Of

The SC State Housing Finance and Development  
Authority



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## Introduction

The purpose of the Housing Choice Voucher (HCV) program is to provide rental assistance to eligible families. The rules and regulations of the HCV program are determined by the U.S. Department of Housing and Urban Development (HUD). The SC State Housing Finance and Development Authority receive its funding for the HCV program from HUD. The public housing agency (PHA) is not a federal department or agency. A public housing agency is a governmental or public body, created and authorized by the state law to develop and operate housing and housing programs for low-income families. The PHA enters into an Annual Contributions Contract with HUD to administer the program requirement on behalf of HUD.

The Section 8 tenant-based HCV is administered in seven counties: Clarendon, Colleton, Dorchester, Fairfield, Kershaw, Lee, and Lexington. The PHA is responsible for ensuring that every individual and family admitted to the HCV program meets all program eligibility requirements. The family must provide any information needed by the PHA to confirm eligibility and to determine the level of the family's assistance. The family must first submit an application that provides the PHA with the information needed to determine the family's eligibility. HUD requires the PHA to place all families that apply for assistance on a waiting list. When HCV assistance becomes available, the PHA must select families from the waiting list in accordance with HUD requirements and PHA policies.

Once a family is placed on the Voucher Program waiting list for the desired county, it could take between 3-5 years before an applicant receives assistance. When the family's name reaches the top of the waiting list, the administration area mails eligibility packages to those applicants for the seven counties in which the program is administered. The administration section gathers documents to determine if a family is eligible for rental assistance based on income, family composition, local preference, sex offender registry, and South Carolina Law Enforcement Division (SLED) reports. Once the information is gathered, eligibility is still being determined, then passed on to the appropriate county Housing Program Coordinator. If all correct documents are in the file, the HPCs can then continue the process to issue a Voucher to the family. On most occasions, these files are lacking information in order for the HPCs to complete their tasks.

Our agency must maintain at least a 98% lease-up rate, based on the Housing and Urban Development's Section 8 Management Assessment Program (SEMAP) requirement. If the PHA does not utilize the funding, they would be considered a troubled agency and would be taken over by HUD. It is with the utmost importance that we continue to issue vouchers to eligible families to find a decent place to live.

## **Problem Statement**

The timely gathering of data is essential in the eligibility determination process for the HCV program at SC State Housing Finance and Development Authority. The problem in this process is when we are unable to gather data to determine eligibility for

the Voucher Program applicants, we fail to fulfill our obligation as a Housing Authority. When we are unable to obtain third party income verification and gather missing documents, we are also unable to issue a family a Voucher to search for a home. The Housing Program Coordinators (HPCs) are also unable to successfully accomplish their job when missing documents and income verifications are not in the file. Once the data is gathered, files are passed to HPCs to schedule an appointment with the applicants. However, failure to supply correct information forces the HPCs to take more time to gather the needed information themselves, in order to issue a Voucher to a family. This time can be directed to other required tasks, such as leasing-up new participants.

To improve the process, I evaluated turnaround time on gathering data and missing documents, missing signatures, and the running of Department of Social Services (DSS) and SLED reports. All sources of income require third party verification. Although third party attempts are made initially, there is a need to ensure that income verification second attempts are being made successfully.

## **Eligibility Overview**

In the year 2005, our agency had a number of employees to take advantage of the early retirement plan that was offered to them. In the HCV Department three employees accepted the early retirement. The agency did not replace any of those positions. The administration area was decreased by one employee, but the amount of work did not decrease. The increase in job duties had a significant affect on job performances.

The administration area receives notification from management 60 days prior to the scheduled appointment dates to issue a voucher to an eligible family, for the appropriate county. The notification includes the number of applicants to be selected from the waiting list. Next, the HPCs e-mail the administration staff giving the place, the address, the date and the time of the appointment. The administration areas then print an updated waiting list for each county that is arranged in order from local preference, to the date and time a person applied. The families are selected based on 70% local preference and 30% non-preference. The following are our agency's local preferences:

- **Veteran Preference:** This preference is available to a family whose Head of household, spouse, or co-head (or surviving spouse thereof) is a person who has served in the active military, naval, or air service (full time duty in the Armed Forces, other than active duty for training), and who was discharged or released there from under conditions other than dishonorable.
- **Disability Preference:** This preference is extended to disabled persons or families with a disabled member. Proof of disability will be required at the time of eligibility determination.
- **Excessive Wait Preference:** At the discretion of the Director, HCV program preference status will be granted to all applicants who have been on the waiting list for a specified number of years. The Director will specify the number of years considered "excessive."
- **Victim Protection Preference:** At the discretion of the Director, HCV program applicants will be moved to the top of the waiting list, if they live in assisted housing and their lives are threatened because they are

victims of or witnesses to a crime and are cooperating with law enforcement.

Once this has been determined the eligibility determination process would begin. Next, eligibility packages are mailed 60 days from the scheduled appointment date of issuance of the voucher to the families selected from the waiting list. Families are given 10 business days to return all documents. Once the documents are returned, the verification process begins, which helps to determine the eligibility of families.

## **Data Collection**

Data was collected from July 1, 2007 thru November 30, 2007. A total of 1,000 applicants were selected from the waiting list. The data was collected to determine the turnaround time from the date the e-mail was sent from management to the date the applicants were selected from the waiting list, through the time when the eligibility paperwork was mailed. It also assists in determining how many dates prior to the scheduled appointment date to issue a voucher from the e-mail that management sends to the processor. We are required to collect third party verification on all applicants, except social security benefit applicants. A copy of the benefits letter from the applicant would be acceptable. Data was evaluated to establish the turnaround time on third party verifications. We also evaluated the work load of the program assistant. There are other job duties involved that take as much time as the waiting list.

## Data Analysis

As with any job, time is of the utmost importance. By collecting data for various reasons, we were able identify area of improvement for the eligibility determination process. Listed below are points of concern, where time is of the essence:

- E-mail received from management
- E-mail received from HPCs
- Date eligibility paperwork is mailed to applicants

The HPCs contact local agencies in their jurisdiction for permission to occupy their buildings on specified dates and times in order to issue vouchers to families. At this time, an e-mail is then sent to the processor. The eligibility determination process begins 60 days prior to the date of voucher issuance. Based on the data collected, only 57% of e-mail received from management was within the 60 days timeframe. The remaining e-mails were sent within 40-54 days. On an average, the eligibility packages are mailed 14 days from the e-mail dates they are received and then sent to processor. The applicants are given 10 business days to return all paperwork. These days may seem minor, but the processor has a total of 60 days to collect the information and verify incomes. Therefore, as I just explained, we are short 6-20 days before receiving the first e-mail. Then, we are also short another 14 days before paperwork is mailed out and another 10 days to receive the information back from the participants. This creates a total of 37 days of the 60 days lost. Nevertheless, The HPCs should receive the file five business days before the scheduled appointment date. Allow the processor 18



days or less, including weekends, which are not work days, to verify all income for the participants. As noted before, too much time is wasted before the applicants' paperwork is being mailed out.

As part of the data analysis process, we are also required to verify third party income for all applicants. Third party verification attempts must be in the following order:

- Written verification
- Oral verification
- Date Document Viewed
- Declaration Date

Written verification must have a first and second attempt before moving to an oral verification. If you are unable to obtain written or oral verifications, then the documents viewed with date stamps are acceptable. If you had failed to receive documents viewed, then it is acceptable to use declaration from the family, with management's approval.

For the data we collected, most attempts are made for the first written third party verification and minimal to none are made for the second written attempt. We can not use any attempts for oral verification, documents viewed, or family declaration, until the first and second written attempts were documented.

After gathering the data on the turnaround time from e-mail and receiving documents, this would allow the processor 14 business days to verify all income for the participants. Also, time is limited to re-mailing letters to applicants for missing documents and missing signatures.

## **Implementation Plan**

There are several areas of improvement for the eligibility determination process, which should be a part of an implementation plan. The first step is to combine the e-mail from management and the e-mail from the HPCs to minimize days to start the eligibility process. Management's e-mail should now include the number of applicants selected, the place, the address, the date, and the time to ensure that the 60 days would officially start from the date of the e-mail, to the date of the scheduled appointment, for voucher issuance.

The second step is to ensure that the program assistant has mailed all letters to applicants within two days from the date the e-mails were received from management. Program assistants' managers should sign the waiting list in order to approve that the applicants are being selected in the correct order.

The third step is to create a database for tracking applicants' file, once the eligibility package is returned to the agency. The database would also track when DSS and SLED reports are processed. I met with the Information Technology (IT) staff to

develop a database to input applicants' information from start to finish. Since we have a database to log participants' files for different types of action to be processed, IT suggested that we add on to the existing database for a complete system. It would save time to add-on instead of creating a new database. Prior to implementing this plan, files were not logged for applicants into the system until an applicant was leased-up, and the file was turned in for processing. This new method will track the files, from the date the files are received into the agency, until the date the files are processed as a participant.

The fourth step is to create an applicant's file checklist to track all missing required documents, to get a copy of income, to get proof of preference, or to obtain unsigned documents. By identifying these problems up-front, a letter would be mailed to collect the missing information.

The final step is to reorganize the administration's job duties. Currently, job duties are not distributed evenly amongst the staff, and to finalize this implementation plan, we would definitely need to distribute job duties evenly amongst all individuals residing in the administration area of the Voucher Program department. Once this has been done, we can consider the implementation plan to be a full success.

## **Summary**

The goal of this project is to improve the eligibility determination process. When I first started gathering information for this project, I thought my main area of concern was

gathering information for the third party verification. After completing this project, I now understand that there are more areas that need improvement. Due to our budget constraints, we are unable to issue vouchers at this time. This will also cause a problem with implementing the above plan. When we are able to select families from the waiting list, the e-mail from management would serve as an initial start date for the 60 days eligibility determination process.

## Appendix A

### Applicant's File Checklist \_\_\_\_\_

Circle Preference:   Disable   Veteran   Excessive Wait   Victim Protection

Are the following items in the applicant's file?	Yes	No	N/A
Waiting list application	_____	_____	_____
Proof of preference	_____	_____	_____
Sign family declaration by all adults (completed)	_____	_____	_____
Sign authorization for the release of Information	_____	_____	_____
Sign authorization for release of criminal records	_____	_____	_____
Copy of picture ID for all adults	_____	_____	_____
Copy of birth certificate for all members	_____	_____	_____
Copy of social security card for all members	_____	_____	_____
Copy of permanent resident card	_____	_____	_____
Sign Citizenship form for all members	_____	_____	_____
Printout of AFDC/TANF	_____	_____	_____

Missing Adult (s) Signature & Form

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Is the applicant employed?	_____	_____	_____
Proof of income (3 pay stubs)	_____	_____	_____
Third party verification	_____	_____	_____
Does the applicant receive SSI or SSA?	_____	_____	_____
Proof of income (Benefit Letter)	_____	_____	_____
Does the applicant receive veteran benefit?	_____	_____	_____
Proof of income (Benefit Letter)	_____	_____	_____

	Yes	No	N/A
Does the applicant receive child support/Alimony	_____	_____	_____
Court document	_____	_____	_____
Clerk of Court	_____	_____	_____
Third party verification	_____	_____	_____
Does the family receive contribution?	_____	_____	_____
Third party verification	_____	_____	_____
Does the family receive unemployment	_____	_____	_____
Copy of Unemployment Benefit Statement	_____	_____	_____
Third party verification	_____	_____	_____
Does the family receive pension benefits	_____	_____	_____
Printout from the pension plan administrator	_____	_____	_____
Does the family have a checking, saving or investment	_____	_____	_____
Copy of last statement received from bank	_____	_____	_____
Does the family pay child care	_____	_____	_____
Copy of receipts/cancelled check	_____	_____	_____

Missing Other Income

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Member Name

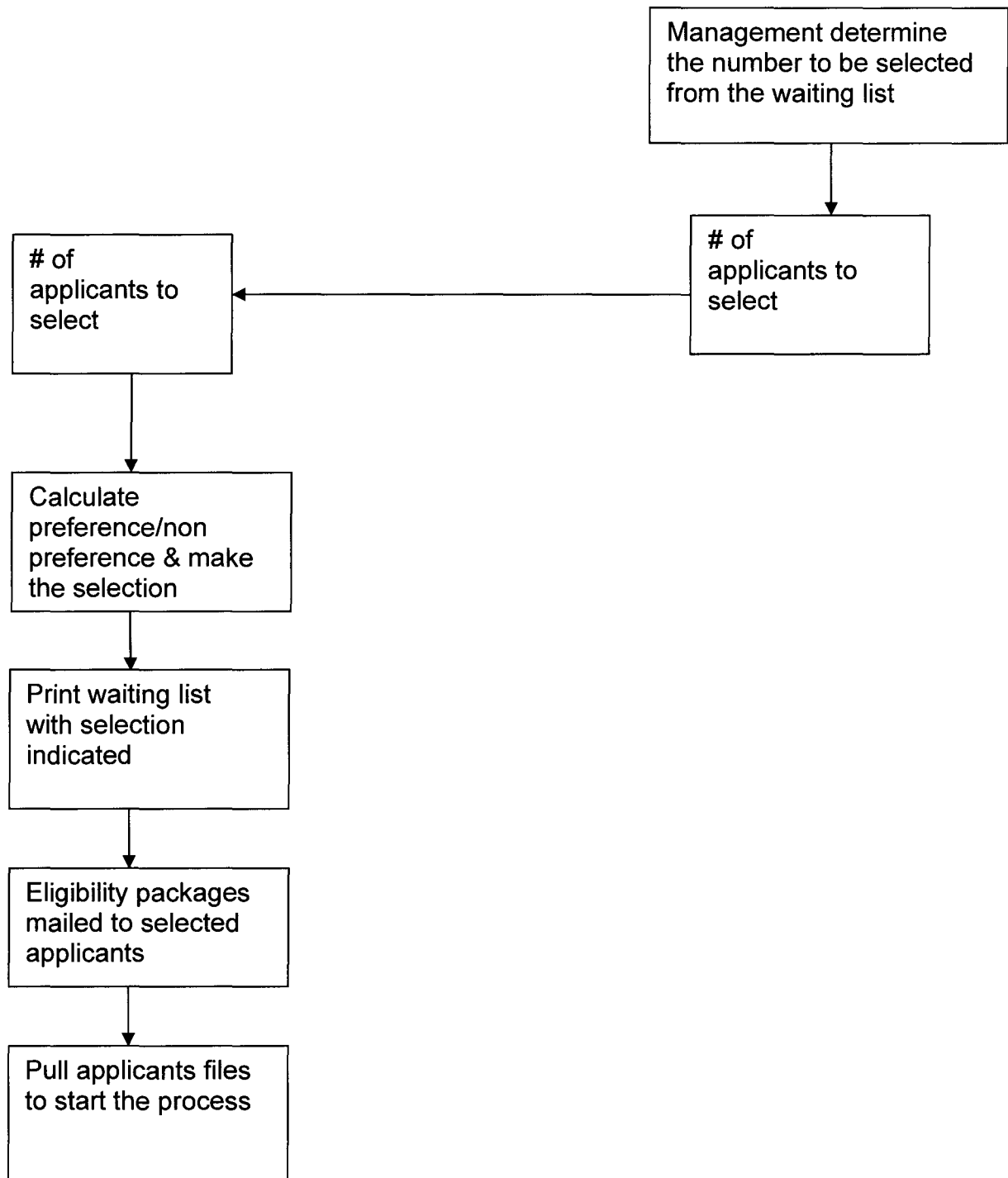
\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## Appendix B

### Selection from the Waiting List



## Appendix C

### Eligibility Determination Process

